

**REPORT OF THE SINGLE AUDIT OF THE
CHRISTIAN COUNTY
FISCAL COURT**

**For The Fiscal Year Ended
June 30, 2005**



**CRIT LUALLEN
AUDITOR OF PUBLIC ACCOUNTS
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CRIT LUALLEN
AUDITOR OF PUBLIC ACCOUNTS

To the People of Kentucky
Honorable Steven L. Beshear, Governor
Jonathan Miller, Secretary
Finance and Administration Cabinet
Honorable Steve Tribble, Christian County Judge/Executive
Members of the Christian County Fiscal Court

Independent Auditor's Report

We have audited the accompanying schedule of expenditures of federal awards for the Christian County Fiscal Court for the year ended June 30, 2005. This financial statement is the responsibility of the Christian County Fiscal Court. Our responsibility is to express an opinion on this financial statement based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the *Audit Guide for Fiscal Court Audits* issued by the Auditor of Public Accounts, Commonwealth of Kentucky, and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statement. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As described in Note 1, Christian County, Kentucky, prepares its financial statements on a prescribed basis of accounting that demonstrates compliance with the modified cash basis, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

In our opinion, the schedule of expenditures of federal awards referred to above presents fairly, in all material respects the expenditures of federal awards of Christian County Fiscal Court in conformity with the basis of accounting described in Note 1.

In accordance with Government Auditing Standards, we have also issued our report dated October 22, 2007 on our consideration of Christian County Fiscal Court's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of



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internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

Respectfully submitted,

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Crit Luallen
Auditor of Public Accounts

October 22, 2007

CHRISTIAN COUNTY OFFICIALS

For The Year Ended June 30, 2005

Fiscal Court Members:

| | |
|---------------------|------------------------|
| Steve Tribble | County Judge/Executive |
| William H. Bruce | Magistrate |
| Mark E. Cansler | Magistrate |
| Thomas C. Jones | Magistrate |
| Lewis Everett Croft | Magistrate |
| Myron Dossett | Magistrate |
| James E. Fleming | Magistrate |
| Cleatus Edwin Long | Magistrate |
| Howard R. Pettus | Magistrate |

Other Elected Officials:

| | |
|-----------------------|----------------------------------|
| J. Michael Foster | County Attorney |
| Lewis L. Leavell, Jr. | Jailer |
| Michael A. Kem | County Clerk |
| Gary Haddock | Circuit Court Clerk |
| William E. Gloyd | Sheriff |
| Mills Foster | Property Valuation Administrator |
| Dorris L. Lamb | Coroner |

Appointed Personnel:

| | |
|-----------------|------------------|
| Frank Mason | County Treasurer |
| Nita K. Leavell | Finance Officer |

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CHRISTIAN COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Fiscal Year Ended June 30, 2005

CHRISTIAN COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Fiscal Year Ended June 30, 2005

| Federal Grantor Program Title <u>Grant Name (CFDA #)</u> | Pass-Through <u>Grantor's Number</u> | <u>Expenditures</u> |
|--|---|---------------------|
| <u>U.S. Department of Homeland Security</u> | | |
| Passed-Through State Department of Military Affairs: | | |
| State Homeland Security Grant Program (CFDA #97.004) | M-03254738 M-03138124 | \$ 121,408 |
| Disaster and Emergency Assistance Grants- Coordinator Salary (CFDA #97.036) | N/A | 19,722 |
| Total U. S. Department of Homeland Security | | <u>141,130</u> |
| <u>U.S. Department of Interior</u> | | |
| Passed-Through State -Governor's Office for Local Development Land and Water Conservation Fund (CFDA #15.916) | LWCF-21-01261 | 14,730 |
| Total U. S. Department of Homeland Security | | <u>14,730</u> |
| <u>U.S. Department of Justice</u> | | |
| Passed-Through State Department Of Justice: | | |
| Justice Assistance Grant (CFDA #16.592) | 2004-LB-BX-392 | 3,800 |
| Total U. S. Department of Justice | | <u>3,800</u> |
| <u>U.S. Office of Surface Mining</u> | | |
| Passed-Through State Department Of Natural Resources: | | |
| Abandoned Mine Land Program (CFDA # 15.252) | N/A | 97,064 |
| Total U. S. Office of Surface Mining | | <u>97,064</u> |
| <u>U.S. Department of Transportation</u> | | |
| Passed-Through State Department Of Transportation | | |
| Intermodal Surface Transportation Efficiency Act (CFDA # 20.205) | C-01179783 | 311,630 |
| Total U.S. Department of Transportation | | <u>311,630</u> |
| Total Expenditures of Federal Awards | | <u>\$ 568,354</u> |

CHRISTIAN COUNTY
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Other Supplementary Information

Fiscal Year Ended June 30, 2005

Note 1 – The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of Christian County, Kentucky and is presented on a modified cash basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations.

CHRISTIAN COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For The Year Ended June 30, 2005

CHRISTIAN COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Fiscal Year Ended June 30, 2005

A. SUMMARY OF AUDIT RESULTS

1. The auditor's report expresses an unqualified opinion on the schedule of expenditures of federal awards of Christian County, Kentucky.
2. No reportable conditions relating to the audit of the financial statement are reported in the Independent Auditor's Report.
3. No instances of noncompliance material to the financial statement of Christian County were disclosed during the audit.
4. No reportable conditions relating to the audit of the major federal awards programs are reported in the Independent Auditor's Report.
5. The auditor's report on compliance for the audit of the major federal awards programs for Christian County expresses an unqualified opinion.
6. There are no audit findings relative to the major federal awards programs for Christian County reported in Part C of this schedule.
7. The program tested as major program was: Intermodal Surface Transportation Efficiency Act (CFDA# 20.205)
8. The threshold for distinguishing Type A and B programs was \$300,000.
9. Christian County was not determined to be a low-risk auditee.

B. FINDINGS – FINANCIAL STATEMENT AUDIT

STATE LAWS AND REGULATIONS:

None.

REPORTABLE CONDITIONS:

None.

C. FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL AWARDS PROGRAM AUDIT

None.

D. SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS

None.

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**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON
COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**



CRIT LUALLEN
AUDITOR OF PUBLIC ACCOUNTS

The Honorable Steve Tribble, Christian County Judge/Executive
Members of the Christian County Fiscal Court

**Report On Internal Control Over Financial Reporting And
On Compliance And Other Matters Based On An Audit Of Financial
Statements Performed In Accordance With Government Auditing Standards**

We have audited the Schedule of Expenditures of Federal Awards (SEFA) of Christian County, Kentucky, as of and for the year ended June 30, 2005, and have issued our report thereon dated October 22, 2007. Christian County's SEFA is prepared in accordance with the modified cash basis of accounting, which is a comprehensive basis of accounting other than generally accepted accounting principles. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Christian County's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinions on the SEFA and not to provide an opinion on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Christian County's SEFA is free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of SEFA amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.



Report On Internal Control Over Financial Reporting
And On Compliance And Other Matters Based On An Audit Of Financial
Statements Performed In Accordance With Government Auditing Standards
(Continued)

This report is intended solely for the information and use of management and the Kentucky Governor's Office for Local Development and is not intended to be and should not be used by anyone other than these specified parties.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Crit Luallen", with a long horizontal flourish extending to the right.

Crit Luallen
Auditor of Public Accounts

October 22, 2007

**REPORT ON COMPLIANCE WITH REQUIREMENTS
APPLICABLE TO EACH MAJOR PROGRAM AND ON INTERNAL
CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133**



CRIT LUALLEN
AUDITOR OF PUBLIC ACCOUNTS

The Honorable Steve Tribble, Christian County Judge/Executive
Members of the Christian County Fiscal Court

Report On Compliance With Requirements
Applicable To Each Major Program And On Internal Control
Over Compliance In Accordance With OMB Circular A-133

Compliance

We have audited the compliance of Christian County, Kentucky, with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2005. Christian County's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of Christian County's management. Our responsibility is to express an opinion on Christian County's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Christian County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of Christian County's compliance with those requirements.

In our opinion, Christian County complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2005.

Internal Control Over Compliance

The management of Christian County is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered Christian County's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.



Report On Compliance With Requirements
Applicable To Each Major Program And On Internal Control
Over Compliance In Accordance With OMB Circular A-133
(Continued)

Internal Control Over Compliance (Continued)

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts, and grants caused by error or fraud that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

This report is intended solely for the information and use of management, federal awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Crit Luallen', written in a cursive style.

Crit Luallen
Auditor of Public Accounts

October 22, 2007

